Charging of Fees from Commercial Agencies Registered with Chennai Doordarshan

2531. SHRI N. THALAVAI SUNDARAM: Will the Minister of INFORMATION AND BROADCASTING be pleased to state:

(a) number of commercial agencies registered with Chennai Doordarshan and the rules governing their registration alongwith the category of timings allocated to them;

(b) on what basis, the telecast fee is charged by Chennai Doordarshan from the agencies and in what manner the said fee is realised; and

(c) whether there are a lot of complaints regarding the fees and the reasons for not taking any action by Government against the concerned violating the rules?

THE MINISTER OF CIVIL AVIATION AND MINISTER OF INFORMATION AND BROADCASTING (SHRI C. M. IBRAHIM): (a) Registration of agencies with Doordarshan is done by the Doordarshan Commercial Services, New Delhi. Business activities of about 40 agencies are centered at Doordarshan Kendra, Chennai. The regulations governing their registration/accreditation are annexed as statement. (*See* below)

(b) Telecast fee is charged as per the commercial rate card which is updated from time to time. The contracts are placed by the advertising agencies and payments are made as per accreditation/ registration rules.

(c) No, Sir.

Statement

Regulations for Registration and Accreditation of Advertising Agencies with Doordarshan

1. The following regulations will come into force with immediate effects:—

2. *Definitions:*

(i) 'Government' means the Government of India.

(ii) 'Director General' means the Director General: Doordarshan or any officer duly authorised by him.

(iii) 'Advertiser' means any individual or organisation including a commercial concern which has offered an advertisement for telecast by Doordarshan.

(iv) 'Advertiser Agency' means any organisation which is registered or accredited with Doordarshan as such.

3. **Eligibility for Registration and Accreditation**

3.1 *Registration*

Advertising agencies which are engaged/interested in advertising through Doordarshan shall be eligible for registration subject to the satisfaction of Director General about their bonafides.

3.2 However, a Bank Draft for Rs. 5,000/- favouring State Bank of India, Account Doordarshan must accompany the application for registration as processing fee.

On receipt of the intimation regarding grant of registration status., the agency must furnish bank guarantee of Rs. 25,000/- before it can place the business and be entitled to 15% commission.

3.3 *Accreditation*

(a) Only such registered agencies shall be considered for accreditation as have:—

(i) An annual turnover of Rs. 20 lakhs and above.

(ii) A paid up capital of Rs. 1 lakh in the case of public limited liability companies and Rs. 50,000/- in the case of private limited and prpprietary or partnership concerns.

(iii) Produced - certificate from the appropriate Income Tax Authority of having filed Income Tax Return for the year immediately preceding the year, of application for granting accreditation,

and also the Income Tax Certificate of the latest year for which the assessment has been finalised.

(iv) Provide Doordarshan a minimum business of Rs. 25.00 lakhs and above within one year from the date of the registration will be entitled to accreditation status even if the business has been transacted in less than 1 year. (In other words, if an agency gross billing is beyond Rs. 25.00 lakhs within less than one year from the date of registration, it will be entitled to accreditation).

(v) Furnish a bank guarantee of Rs. 5.00 lakhs after the receipt of the intimation regarding grant of accreditation.

(vi) For those registered agencies failing to generate gross business worth Rs. 25.00 lakhs or above within one year from the date of registration, calculations based on "Average business per month" of Rs. 2.00 lakhs will be applied. This works to Rs. 26.00 lakhs in 13 months, Rs. 28.00 lakhs in 14 months and so on. The months will be calculated from the date of registration.

(vii) The accreditation will be effective from the first of the month following the month in which accreditation is granted after accepting the Bank Guarantee of Rs. 5.00 lakhs.

(viii) If any accredited advertising agency fails to transact a minimum annual business of Rs. 6.00 lakhs with Doordarshan, its accreditation status may be withdrawn.

(ix) The accredited advertising agencies shall furnish every year their profit and loss accounts duly audited by Chartered Accountant within six months of the date of the closing of their annual accounts. They shall also furnish Income Tax Clearance Certificate in respect of the previous assessment year within a month of the finalisation of the assessment. Failure to comply with these requirements will make them liable to lose their accreditation with Doordarshan.

4. Application

(i) Applications for registration/accreditation should be made by advertising agencies to the authorities mentioned below:

(a) *Application for Registration*

The Director of Doordarshan Kendra in whose zone the Head Office of the advertising agency is situated.

(b) *Application for Accreditation*

(i) Office of the Controller of Sales, Doordarshan Commercial Service, Doordarshan Bhawan, Mandi House, New Delhi—110001.

(ii) Applications shall be sent in the prescribed form which is to be completed in every respect and supported by such documents as may be required.

(iii) The Director General's decision on such applications shall be final.

5. Commission and Credit

(i) Accredited advertising agencies shall be entitled to a credit of 45 days from the first of the month following the date of telecast.

(ii) Doordarshan shall be entitled to charge interest at the rate of 18% per annum on all amounts due to it which are not paid within the stipulated period. The interest shall be charged from the day following the due date of payment and computed on monthly basis. If an accredited agency fails to make payment of monthly bills by the due date on more than three occasions in a year or within 45 days after expiry of credit period, it shall automatically lose its accreditation.

(iii) Accredited advertising agencies would be entitled to a commission of 15% on the actual business booked with Doordarshan.

(iv) Registered advertising agencies shall be entitled to a commission of 15% on the actual business booked with Doordarshan. They shall pay the advertisement charges in advance by Demand Draft on a bank/banks to be notified by Director General. Pending such notification the Demand Draft should be on State Bank of India, Main Branch, Parliament Street, New Delhi.

6. Other Conditions

(i) The advertising agencies applying for accreditation shall have a properly equipped office with qualified staff and regular department. e.g., art, copy and media. A list of clients should be made available to Doordarshan which should include, at least, one client who advertises nationally either on radio, television or the print media.

(ii) Registration/accreditation status shall not be given to any agency of which the sole proprietor, any partner or Director is a salaried employee of any advertiser.

(iii) The commission allowed to any advertising agency shall not be shared by it or rebated to any other person, firm or company, directly or indirectly.

(iv) The advertising agency shall be responsible for the payment of advertising and related bills severally as well as jointly with the advertisers.

(v) If any relation of any partner/director/proprietor of an advertising agency is working in Doordarshan then this fact shall be declared, by the advertising agency giving full details about the relationship of the partner/director/proprietor with the employee.

(7) The Director General may amend or alter these rules from time to time as he may deem fit and such amendments and alterations shall be binding on the advertising agency.

Setting up of IIMCs.

2532. DR. SHRIKANT RAMCHANDRA JICHKAR: Will the Minister of INFORMATION AND BROADCASTING be pleased to state:

(a) whether the IIMCs set up for fulfilling mass communication infrastructural needs are functioning properly;

(b) what are the IIMCs exactly doing and their location;

(c) whether more IIMCs will be set up; and

(d) if so, the details thereof?

THE MINISTER OF CIVIL AVIATION AND MINISTER OF INFORMATION AND BROADCASTING (SHRI C.M. IBRAHIM): (a) Yes, Sir, branches of Indian Institute of Mass Communication (IIMC) are set up at different locations.

(b) A statement is annexed. *(See below)*

(c) At present there is no proposal to set up any more branches of IIMC.

(d) Does not arise.

Statement

Functions of IIMCs and their location

The IIMC conduct teaching and training programmes, organises seminars and contribute to the creation of any information infrastructure suitable for India and other developing countries. In order to fulfil mass communication infrastructural needs of the people of the country, IIMC apart from its centre at New Delhi has also set up its branches at Dhenkanal (Orissa), Kottayam (Kerala), Jhabua (M.P) and Dimapur (Nagaland) to cater to the needs of the people of Eastern, (Southern, Central and Western and North Eastern regions respectively.